Abstract: Online Shopping is a current phenomenon which has developed a great importance in the modern business environment. The evolution of online shopping has opened the door of opportunity to exploit and provide a competitive advantage over firms. This paper analyzed the different issue of online shopping. The research aims to provide theoretical contribution in understanding the present status of online shopping and explores the factors that affecting the online shopping. The Study provides insights into consumers’ online shopping behaviors and preferences. Moreover, paper also identify the hurdles that customers’ face when they want to adopt internet shopping as their main shopping medium. Present study is a descriptive study based on the detailed review of earlier relevant studies related to the various concepts of online shopping to explore the concept of online shopping. Findings reveals that online shopping brings optimum convenience to the consumers. Privacy and security risk emerges frequently as a reason for being wary about internet shopping. Shopping convenience, immediate possession, information seeking, social interaction, and variety affects the consumer attitude towards online shopping. The impossibility of product testing, problems with complaints, product return and misuse of personal data are the main uncertainties regarding on-line shopping.

Keywords: Online Shopping, Online Buying Behavior, Online Shopping Hassles, Risks, Online Security

I. INTRODUCTION

Marketing is basically addressing the consumer’s needs more effectively and efficiently with better product and services with better price, shopping access and delivery. A good marketer constantly adapts to change and to satisfying consumers needs in better way. Sometimes opportunity to address the consumers in better way is designed by marketers himself and sometimes it is offered by the technology. Internet is changing the way consumers shop for goods and services and has rapidly evolved into a global event. Rowley Jennifer, (1998) examined that internet is becoming a hotbed of advertising, shopping and commercial activity. Hsieh et al., (2013) stated that internet is influencing people’s daily life more so as compared to past. People’s daily activities have gradually shifted from physical conditions to virtual environment. The shopping and payment surroundings have also changed from physical store into online stores. Weiber and Kollmann, (1998) investigated that online technologies provide many competitive advantages like agility, selectivity, individuality and interactivity. Li Na and Zhang Ping, (2002) examined that online shopping has become the third most popular Internet activity, immediately following e-mail using, instant messaging and web browsing. Jush and Ling, (2012) defined online shopping as the process a customer takes to purchase a service or product over the internet. A consumer may at his or her leisure buy from the comfort of their own home products from an online store. Suresh et al., (2011) stated that Online shopping is becoming popular in India now. Comscore report, (2013) examined that India is now the world’s third largest internet Population. Younger males and women aged 35-44 emerge as power users.73.8 million Indians surfed the web via a home or work computer. BCG report, (2012) stated that there will be three billion internet users globally, almost half the world’s population. The internet economy will reach $4.2 trillion in the G-20 economics. If it were a national economy, the internet economy would rank in the world’s top 5, behind only the USA,
China, Japan, and India, and ahead of Germany. Kanwal Gurleen, (2012) observed that India has more than 100 million internet users out of which one half opts for online purchases and the number is rising sharply every year. The growth in the number of online shoppers is greater than the growth in Internet users, indicating that more Internet users are becoming comfortable to shop online. Until recently, the consumers generally visit online to reserve hotel rooms and buy air, rail or movie tickets, books and gadgets, but now more and more offline product like clothes - saris, kurtis, T-shirts-shoes, and designer lingerie, consumer durables are being purchased online. Master Card Worldwide Insights, (2008) revealed that 47% of internet users shop online. Indian shopping community is around 28 million and Indian online shopping market is worth about $71 billion. Indian online shoppers spend about 11% of their personal income in online shopping.

II. GROWTH AND TRENDS IN ONLINE SHOPPING

Nielsen Global Consumer Report, (2010) found that books and clothing was at top of the list for planed online purchases in next six month which is followed by online airline tickets, hostel/tour reservation, other engaging product and services tagged for future online purchases include electronic equipment, cosmetics/nutrition supplies, computer hardware, videos/DVDs/games and groceries. Globally one third of consumers prefer to do online shopping at retailers that have only an online presence (like amazon.com). 20% of customer prefers those site that also have traditional “brick and motar” stores, 16% of customers globally indicate that they have never shopped online. Almost half (47%) of online consumers indicate they have never made online purchase. Shoppers considers online reviews and peer recommendations while researching future purchases of consumer electronics, cars and travel, and 40 percent of online shoppers would not even buy electronics without consulting online reviews first. 79% of online European consumers plan to purchase products or services via the Internet. Online reviews and opinions were most important when buying and researching cars, software and consumer electronics. Nielsen Report, (2014) found that almost half of global respondents in an online survey intend to purchase clothing or make airline or hotel reservations using an online device in the next six months. Other categories growing in prominence for online shopping include e-books, event tickets, sporting goods and toys (to name a few). Spending intentions for each have risen at a double-digit or near double-digit percentage-point rates since 2011. The online market for buying groceries and other consumable products is comparatively smaller but is starting to show promise. While durables are the starting point of adoption, consumables are attractive due to the frequency of purchase. Aside from online purchasing, digital is an increasingly important research and engagement platform. Consumable categories are not likely reach the same level of online prominence as non-consumable categories due to the hands-on buying nature and perishability of the products, but the market is wide open and an eager audience is at the ready. Master Card Worldwide Insights, (2008) studied that internet penetration, income levels and cultural factors are key drivers of online shopping. In China and India huge growth in online shopping is expected as income and internet penetration rises. Credit cards are preferred payment mode in online shopping. The rising population of upper-middle-income and increasing income level will probably boost the online shopping markets in China and India. Forrester Research, (2012) found that India’s eCommerce market is at an early stage but is expected to see huge growth over the next four to five years. Retailers have a sizeable opportunity as the online population starts to spend more and buy more frequently online. Two key areas that companies must focus on in all markets are localized payment and fulfillment options. Over the past 12 months, venture capitalists have invested heavily in India’s eCommerce market, new players have emerged, and the eCommerce ecosystem has developed, presenting a huge opportunity for companies willing to work through some of the logistics and payments challenges in India.

III. PRESENT STATUS OF ONLINE SHOPPING

Michal Pilik, (2012) examined that online buying behavior is affected by various factors like, economic factors, demographic factors, technical factors, social factors, cultural factors, psychological factors, marketing factors and legislative factors. Customers choose an online-shop mainly based on references, clarity and menu navigation, terms of delivery, graphic design and additional services. Complicated customers read discussions on the Internet before they spend their money on-line
and when customers are unable to find the product quickly and easily they leave online-shop. Dibb et al., (2001), Jobber, (2001), Kotler, (2003) described Consumer buying process as learning, information-processing and decision-making activity divided in several consequent steps: Problem identification, Information search, Alternatives evaluation, Purchasing decision, Post-purchase behavior. Efthymios Constantinides, (2004) identified the main constituents of the online experience as follows: the functionality of the Web site that includes the elements dealing with the site’s usability and interactivity, the psychological elements intended for lowering the customer’s uncertainty by communicating trust and credibility of the online vendor and Web site and the content elements including the aesthetic aspects of the online presentation and the marketing mix. Usability and trust are the issues more frequently found to influence the online consumer’s behavior. Karayanni, (2003) examined that discriminating of potential determinants between web- shoppers and non shoppers. The most major discriminant variable between web shoppers and non shoppers was found to be web- shopping motives concerning time efficiency, availability of shopping on 24 hours basis and queues avoidance. Lack of trust to web shopping affects negatively web shopping behavior. Bosnjak et al., (2007) noticed that neuroticism, openness to experiences, and agreeableness has small, but significant influences on the willingness to buy online. Need for Cognition has a direct negative effect towards willingness to online purchase. Lack of online shopping experience could emphasize the effects of personality traits on the estimation of likelihood of future online purchases. They implied that the decision to shop online is made with emotion rather than reasoning. Lee, (2009) augmented that quality of online reviews has a positive effect on the purchasing intention of online shoppers. Attitudes of online consumers increase with the number of reviews. Large number of reviews is perceived as an indication of product popularity and hence increases the purchasing intention of consumers. Kim et al., (2002) studied that significant factors affecting the intention towards shopping on the internet are convenient and dependable shopping, reliability of retailer, additional information and product perception. Online Shopping Customer Experience Study, (2012) stated that satisfaction of online consumers can be improved by improving their satisfaction related to shipping and returns. Free shipping is a great motivator, drawing shoppers back to sites to make repeat purchases and causing shoppers to recommend an online retailer, consumers are willing to pay a nominal fee for getting their product faster. While comparison shopping, consumers take product price and shipping charges almost equally into consideration. There are several other things that retailers can do to improve the experience for their online shoppers. The first is to communicate the expected delivery date of the order, customers are willing to wait for their orders but want to know just how long that might be. Timely arrival of shipments encourages shoppers to recommend an online retailer. Consumers also like having tracking updates and delivery notifications to understand when their package is arriving. Online shoppers want flexibility in their shipping, particularly the ability to give special delivery instructions or schedule a delivery time or select an alternate delivery location. Schaupp and Bélanger, (2005) added that privacy (technology factor), merchandising (product factor), and convenience (shopping factor) are three most important attributes to consumers for online satisfaction. These are followed by trust, delivery, usability, product customization, product quality, and security.

IV. FACTORS AFFECTING ONLINE SHOPPING

Kotlar P, Keller et al., (2009) advocate that consumer shop online because it is convenient. Gordan A and Bhowan K, (2005) examined factors that encouraging online shopping

- Convenience (no traffic, crowds, 24 hr. access)
- Better Product Selection
- Useful Delivery Mode

Hirsst Alan and Omar Ogenyi, (2007) stated that convenience, usefulness, ease of use and efficiency are positive characteristics of online shopping. Jush and Ling, (2012) suggested that e-commerce experience, product perception and customer service have important relationship with attitude towards e-commerce purchases through online shopping. According to them consumers who purchase online are more likely to buy clothes, book and make travel booking. Delafrooz Narges et al.,
found that utilitarian orientations, convenience, price and wider selection are a significant determinant of consumer’s attitude toward online shopping. Consumers are looking for more convenience (time and money saving), cheaper prices and wider selection when they shop online. Consumers who value the convenience, prices and wider selection of internet shopping tend to purchase more online and more often. Michal Pilik, (2012) stated that Logistics, Security and privacy of information, Timeliness, Availability, Convenience, Customer service were criteria used by customers while online shopping. Zhou et al., (2007) identified nine types of consumer factors, including demographics, Internet experience, normative beliefs, shopping orientation, shopping motivation, personal traits, online experience, psychological perception, and online shopping experience in affect consumer online. Smith and William, (2003) examined the factors influencing consumers towards online shopping are marketing efforts, socio-cultural influences, psychological factors, personal questions, post-decision behaviour and experience.

V. ONLINE SHOPPING ADVANTAGES

Jush and Ling, (2012) added that customers can enjoy online shopping for 24 hour per day. Consumers can buy any goods and services anytime at everywhere. Online shopping is more user friendly compare to in store shopping because consumers can just accomplish his desires just with a click of mouse without leaving their home. Forouhandeh Behnam et al., (2011) demonstrated Warrant, Assurance, Website maneuverability and Enjoyment as factors that perceived as the online shopping benefits. Alba et.al, (1997), Brengman et al., (2005), Eastlick and Feinberg, (1999), Foucault and Scheufel, (2002), Karayanni, (2003) stated that online shopping has various advantages as compared to shopping at a physical shop like,

- 24/7 shopping
- Saves time
- Comparison shop
- Price comparison
- Third party shopping sites keeping merchants competitive hence offering the best products and prices. So, it not only encourages customer for online shopping but also helps in relationship management.
- Consistency between advertised price and site price.
- Sometimes no cost delivery even to third party receiver
- ease in merchandise cancellation or return
- sometimes tracking of shipping available
- large online shopping site offering store comparison and sometimes no taxes

Kim Youn Kyung, (2002) stated that shopping malls and internet are major competitor, providing multiple dimensions of consumer value. The consumer value includes four components- efficiency, excellence, play and aesthetics. Consumer value analysis sheds light on the complex issues surrounding the viability of shopping malls against the competition from internet. Online shopping enhances the experience of shopping, area of shopping, comfort level and products variety. It widens the customer’s imagination towards products and inducing them to looking for varieties and satisfying their hunger for fun and pleasure.

VI. ONLINE SHOPPING HURDLES

Saprikis Vaggelis et al., (2010) classified the online shopping problems were in two categories; general problems and after-sales problems. Online shopping problems are great barriers to the online purchase intention of customers. General problems includes possibility of having credit card data intercepted, the difficulty to confirm the reliability of the provided products and the possibility to buy a product that it would not value as much as customer pay for it. After-sales problems, involved difficulty
to change defective product with a new one and products guarantee are not assured. Choi and Lee (2003), Cyr et al., (2005), Know and Lee (2003), Laroche et al (2005), McKnight et al (2002), Verhagen et al., (2006) stated that online shopping has various disadvantages as compared to shopping at a physical shop like,

- **Lack of touch and feel of merchandise**
- **Delivery time**—customers don’t have the immediate satisfaction of receiving the product when they buy it since they have to wait for it to be delivered.
- **Shipping charges**—customers usually have to pay shipping charges, which may increase the overall cost of what they are purchasing.
- **Shipped returns**—Returns can be more of a hassle in online shopping because consumers have to pack up the product, ship it back, and wait for the seller to receive and process the return before consumers can get their product exchanged or refunded.
- **Lack of close quality examination**
- **Security concerns**—it can be difficult to tell whether the website is secure or not. If the site is not secure or is fraudulent online consumers can potentially open their self up to identity theft.
- **Privacy concerns**—if a site doesn’t have a comprehensive privacy policy, it is impossible for consumers to know who has access to their information, and whether their information is protected or shared with third parties. Information sharing could lead to spam, or even identity theft.
- lack of personal attention from a salesman
- Unable to try the merchandise on (especially clothing)
- more chances to encounter fraud (disappearance of shopping site)
- more chances for mistakes in ordering the wrong item, slightly higher exposure of credit card security
- Verification of credit card owner less rigorous (physically one can ask for other identifications).

Office of Fair Trading Market Study, (2007) examined that people were ready to use internet, but not to shop online because of lack of trust and fears about their personal security. Confidence and trust are essential to the success of internet shopping. Lee and Turban Efraim, (2001) reviewed nature of consumer trust in online shopping and proposed model for consumer trust in internet shopping that shows four main likely antecedents: trustworthiness of the Internet merchant, trustworthiness of the Internet shopping medium, infrastructural (contextual) factors, and other factors had relationship with consumer trust in online shopping. Gordon and Bhawan, (2005) found that security is the major factor that discouraged the target consumer from purchasing on the internet. Jush and Ling, (2012) reported that consumers low perception and trust of online merchants responsible for making consumers unwilling to make purchases online. Michal Pilik, (2012) found that on-line users have some worries while purchasing on-line. People afraid of complaining the products or their testing. Misuse of personal data and security also marked as important barrier against Internet shopping acceptance. The impossibility of product testing, problems with complaints, problems with product return and misuse of personal data are the main uncertainties regarding on-line shopping. Pew internet and American life project, (2008) stated that internet users are worry about the security of their financial information. Jush and Ling, (2012) found that shopping environments on the internet may be doubtful for the majority of online shoppers. Most recognized perceived risks are financial, product performance, social, psychological and time/convenience loss. Pew internet and American life project, 2008 stated that attitude of internet users about online shopping are not entirely consistent. Customers are willing to shop online because it is convenient and a time-saver, but they perceived
sending personal or credit card information over the internet as a risk. If concerns regarding the safety of the online shopping environment were eased and if shoppers felt that online shopping is safe than the number of online shoppers would be higher.

VII. ONLINE SHOPPING HASSLES

Forouhandeh Behnam et al., (2011) presented Lack of physical contact, Riskiness, Learning cost, Tediousness as barrier to online shopping adoption. Pew internet and American life project (2008) found that more than half of internet users encounter frustrations and other frictions while using the internet to find out about or buy goods or services. About 43% of internet users in America have been frustrated by the deficiency of information they encounter during online. 32% online Americans have been confused by information they have found online during their online shopping or research. 30% have felt overwhelmed by the amount of information they have found online while online shopping. Overall 58% of internet users in America have experienced at least one of these three feelings during online purchase of goods. Celick, (2011) contributed that usage of internet as a shopping medium creates additional uncertainty and risk perceptions due to its intangible nature, which further heightens a customer’s anxiety level. Online shoppers tend to avoid shopping or complete the shopping task with minimum effort when they are under stress due to anxiety. Perceived playfulness also exerts positive influence on intentional adoption of online shopping. McAfee, (2009) proposed guidelines that help users to have the best online shopping experience. Tips for safe online are Comparison shop (use a search engine to look for the best deals), do a background check on the online retailer, read customer reviews know the shipping policies, check out the merchant’s return and exchange policies. Since you may need your purchase by a specific date, review the company’s privacy policy, never click on links from spam emails to make purchase, check that the site is secure, use a credit card for payment, do not use a public computer to shop online, only use a secure connection while placing order and use strong passwords.

VIII. FUTURE SCOPE OF ONLINE SHOPPING

FICCI, (2012) stated that India’s large and aspiring middle class of 75 million households or 300 million individuals want products that are value-driven. The country’s 500 million people under the age of 25 have access to more money that has additionally resulted in independence, aspirations and a demand for product. The Indian retail sector accounts for over 20% of the country’s gross domestic product (GDP) and contributes 8% to total employment. The cumulative foreign direct investment (FDI) inflows in single-brand retail trading, during April 2000 to June 2011, stood at 69.26 million USD. The current estimated value of the Indian retail sector is about 500 billion USD and is pegged to reach 1.3 trillion USD by 2020. The penetration level of modern retail (currently 5%) will increase six-fold from the current 27 billion USD to 220 billion USD in 2020. The Indian retail sector is expected to grow at a CAGR of 15 to 20%. Factors driving the organised retail sector include the following:

• Higher incomes driving the purchase of essential and nonessential products
• Evolving consumption patterns of Indian customers
• New technology and lifestyle trends creating replacement demand

Mckinsey & Company, (2012) examined that India’s base of about 120 million Internet users is currently the third-largest in the world. India is likely to have the second-largest user base in the world, and the largest in terms of incremental growth, with 330 million to 370 million Internet users in 2015. Given current downward trends in the costs of Internet access and mobile devices, India is on the verge of an Internet boom. In an evolution pattern unique to India, users who access the Internet only through a mobile or tablet device will constitute around 75 percent of new users and 55 percent of the aggregate user base in 2015, leading to increasing demand for content that is optimized for a small screen. India has the potential to double its economic contribution from the Internet in the next three years, from 1.6 percent of GDP at present to 2.8 to 3.3 percent by 2015. Despite the large current base of users, the Internet currently contributes a modest 1.6 percent to India’s GDP, in line with most aspiring countries. This could grow to 2.8 to 3.3 percent by 2015 if India achieves its potential for growth in the number of Internet users and Internet technology-related consumption and investment over this period, increasing the Internet’s
contribution to GDP from $30 billion today to nearly $100 billion in 2015. This would make the Internet-related economy larger than the education sector and as large as the health care sector, in terms of share of GDP at present. Currently, India’s information and communication technology (ICT) exports are the most significant component of the Internet’s impact on GDP. But private consumption, private investment and public investment have greater potential to grow in future.

IX. CONCLUSION

Above discussion clearly indicate that online shopping has become a regular part of our lives, mainly because it is so convenient. Every day, millions of people go online to do research about products and make purchases from thousands of different online merchants. The web allows customers to comparison shop for the best deals and locate products that might otherwise be difficult to find. But while online shopping provides with a high level of convenience, it also provides opportunities to cybercriminals to steal shopper’s money and information through various online scams. That is why it is so important for customers to know how to stay safe while shopping online. Thus, online shopping is a fun and convenient way to locate hard-to-find items, to make purchases and discover bargains, but also with some level of risk. Online shopping can be easy and enjoyable with some precautions. India’s online market is at an early stage but is expected to see huge growth over the next four to five years. Retailers have a sizeable opportunity as the online population starts to spend more and buy more frequently online. Online shoppers expect to see good deals online accompanied by free or very low-cost shipping. Consumers are looking for trust, Security and privacy of information, timeliness, availability, convenience, customer service, prices and wider selection during online shopping.

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